
FEC 遠東發展

## Stock Information

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|---|---|
| Stock price (HK$, as at 11/8/2026) | 0.685 |
| 52-week range (HK$) | 0.63-0.93 |
| Market capitalisation (HK$ bn) | 2.1 |

## FY2026 Results Highlights

| | |
|---|---|
| Adjusted revenue[(i)(ii)] (HK$ bn) | 10.0 (-6.5% YoY) |
| Adjusted cash profit[(i)(iii)] (HK$ mn) | 109 (-58.9% YoY) |
| Adjusted net gearing ratio[(i)] | 63.0% (-4.6ppts YoY) |
| Total cumulative presales and unbooked contracted sales (HK$ mn) | 8,445 (-4.7% YoY) |

## Investor Relations Contacts

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# I. FY2026 Annual Results – Strength Beyond Cycle

On 25 June 2026, we were pleased to announce our audited consolidated results for the financial year ended 31 March 2026 ("FY2026").

The global macroeconomic environment remains defined by a complex interplay of geopolitical tensions and structural shifts in trade, contributing to a landscape of persistent uncertainty. These conditions, compounded by localised conflicts and volatile commodity markets, have necessitated a focus on financial resilience and strategic agility. As businesses navigate this period of recalibration, the ability to maintain balance sheet strength while managing the impacts of prolonged inflationary pressures remains critical to long-term stability. In view of these prevailing conditions, we have maintained a disciplined approach toward our development activities and capital commitments.

In FY2026, our adjusted revenue[(i)(ii)], a non-GAAP financial measure, decreased by 6.5% to approximately HK$10.0 billion. This variance was primarily attributable to less residential property developments was completed and settled during the financial year. Adjusted cash profit[(i)(iii)], a non-GAAP financial measure, was approximately HK$109 million.

Over the past months, we have continued to prudently manage our capital structure by refinancing shorter term debt through the bank market and monetising non-core assets and business. These initiatives were aimed at reducing indebtedness and optimising our capital structure. As at 31 March 2026, our total bank loans and notes decreased by approximately HK$1.9 billion or 7.5%, to approximately HK$23.5 billion, representing a cumulative reduction of about HK$8.8 billion over the three-year period from HK$32.3 billion as at 31 March 2023. Concurrently, the adjusted net gearing ratio[(i)], a non-GAAP financial measure, was reduced by 10.8 percentage points to 63.0% from 73.8% over the same period. These resulted in an enhancement of our capital structure and a further strengthening of the statement of financial position.

Our adjusted revenue from property development[(i)], a non-GAAP financial measure, was approximately HK$6.4 billion. Major contributors included Victoria Riverside (Towers B, C and Bromley Street) in Manchester, Aspen at Consort Place in London, West Side Place in Melbourne and Mount Arcadia in Hong Kong. Contributions were further supported by JV projects including The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia, Queen's Wharf Residences (Tower 4) in Brisbane. Revenue from our hotel operations and management business continued to grow, increased by 14.6% to approximately HK$2.4 billion in FY2026, as compared with FY2025. The increase was mainly contributed by Dorsett Kai Tak in Hong Kong and the continued resilient performance across Malaysia, Singapore, the UK and Australia. As a result of our continued divestment of matured car park assets, revenue from car park operations and facilities management business dropped 6.6% to approximately HK$666 million, as compared with FY2025. Revenue from our gaming business for FY2026 increased by 9.6% year-on-year to approximately HK$448 million, primarily driven by increased visitation following successful marketing initiatives launched in Austria.

*Notes:*

i. *Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section in FY2026 Annual Report..*

ii. *Adjusted revenue is calculated by adjusting for contributions from joint venture ("JV") property development projects.*

iii. *Adjusted cash profit is calculated by adjusting the loss attri. to shareholders of the Company before (i) change in fair value of financial assets at fair value through profit or loss ("FVTPL");(ii) change in fair value of derivative financial instruments; (iii) provisional gain acquisition of the additional equity interest in Destination Brisbane Consortium ("DBC"); (iv) change in fair value of investment properties (after tax); (v) loss on disposal of debt instruments at fair value through other comprehensive income ("FVTOCI"); (vi) share of impairment loss recognised by an associate and a JV; (vii) impairment loss on properties for sale; (viii) impairment loss (including reversals of impairment losses) on financial assets; (ix) impairment loss on deposit for acquisition of property, plant and equipment; (x) deferred tax expense from provisional gain on asset swaps; and (xi) depreciation and impairment of property, plant and equipment; and adjusted for minority interests.*

## II. Divestment of Non-Core Assets and Business

We continued to implement our deleveraging strategy through the monetisation of non-core assets and business, with the objective of reducing debt and reallocating capital to projects with higher return potential.

In FY2026, we monetised approximately HK$2.5 billion of non-core assets and business in aggregate. We (i) completed the disposal of our interest in a mortgage portfolio in Hong Kong in May 2025 for an initial consideration of approximately HK$485 million; (ii) completed the sale of our 53.21% stake in BC Investment Group Holdings Limited for an initial consideration of approximately A$106 million in July 2025; and (iii) completed the disposal of our car park assets in Malaysia for a consideration of MYR55 million.

We also entered into several agreements that has reached or are expected to reach completion in FY2027.

In Australia, we reached an agreement in December 2025 to dispose of 50% interest in The Ritz-Carlton Perth for AUD100.0 million, and expected to record a gain of approximately AUD32.5 million from the transaction. This transaction was subsequently completed on 29 May 2026. We reached another agreement in April 2026 to dispose of 49.9% interest in The Ritz-Carlton Melbourne for approximately AUD58.2 million, and expected to record a gain of approximately AUD18.3 million from this transaction.

In the UK, we progressed with the disposal of our interests in the Hornsey Town Hall development, including the hotel and town hall, as well as our interest in an office asset in London with a revised consideration of GBP59.5 million. The sale of the hotel was completed on 2 June 2026. We expected to record a gain of approximately GBP25.7 million from the transactions.


The Ritz-Carlton Perth


The Ritz-Carlton Melbourne


London Office, London

## III. Completion in the Hotel Disposal - Silka Seaview

On 17 July 2026, Dorsett Hospitality International Limited ("DHI") successfully completed the disposal of Silka Seaview for an initial consideration of approximately HK$750 million. We expected to record a gain of approximately HK$423 million from this transaction, while the bank borrowings will be reduced by approximately HK$630 million upon completion following the repayment of the relevant property mortgage. DHI will continue to manage the property under a three-year contract, ensuring operational continuity and premium service standards.

We believe the transaction will unlock a substantial asset enhancement value derived from our asset portfolio. The net cash proceeds from the disposal will enable us to repay existing bank loans, which aligns with our deleveraging strategy to improve our financial position, as well as our strategy of divesting and recycling capital by monetising non-core assets.

**Ms. Winnie CHIU, BBS, JP, Executive Director and Joint Managing Director of FEC, Chairperson and Executive Director of DHI, who has long been dedicated to youth and education, said**, "Youth development is a personal passion of mine. Dorsett currently manages student accommodation across Hong Kong, Malaysia and Singapore. We are delighted to partner with JD.com on this project and look forward to a partnership that brings meaningful benefits to students and communities."

Silka Seaview Project Signing Ceremony

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# IV. Completion in Assets Swap in Brisbane included QWB Project

On 31 March 2026, we and Chow Tai Fook Enterprises ("CTFE") (collectively, the "JV Partners") confirmed the successful completion of the transaction with Star Entertainment Group Limited ("The Star"), whereby the JV Partners have become 50/50 joint owners of DBC, which owns the Queen's Wharf Brisbane ("QWB") integrated resort ("DBC Transaction"). The DBC Transaction supports the ongoing employment of more than 2,700 jobs, contributing to continuity for employees and stability for the precinct.

Following this completion, the JV Partners each hold 50% equity interest in DBC and we recorded a gain of approximately HK$726 million in FY2026 from the transaction. For further details, please refer to the Company's announcements dated 12 August 2025, 22 August 2025, 17 November 2025 and 31 March 2026.

The DBC Transaction involved a comprehensive recapitalisation by the JV Partners of DBC's debt, placing it in a strong financial position to support the continued development and activation of the precinct. To ensure continuity of operations, The Star will continue to manage QWB under an amended agreement, which introduces a revised fee structure designed to better align outcomes with performance. The JV Partners retain the right to nominate a replacement operator and will continue to evaluate available options.

**Ms. Wendy Chiu, Executive Director and Joint Managing Director of FEC, said,** "Today marks the completion of our commitment to Queensland to keep the doors open at Queen's Wharf Brisbane, which represents a significant step forward in our strong and long-standing partnership with CTFE across multiple jurisdictions. The recapitalisation of DBC and our continued investment reflects our confidence in the future of Queen's Wharf and in Brisbane as a global city. As Chair of DBC, I extend my sincere thanks to my colleagues and advisers for their dedication and commitment in bringing this transaction to completion. I also acknowledge and extend my gratitude to the new management team at The Star, in particular Soo Kim, Chairman and Bruce Mathieson Jnr, Chief Executive Officer and Managing Director, for their professionalism and commitment during this transition. We are grateful for the Queensland Government's ongoing support for the project, and are committed to working with stakeholders to ensure the continued success of QWB as a premier tourism, entertainment and lifestyle destination, operating to the highest regulatory standards."

Queen's Wharf Brisbane, Brisbane

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## V. Completion of Several Property Development Projects

The Pavilia Forest, a residential development situated in Kai Tak, Hong Kong, features 1,305 residential apartments with a total saleable floor area of approximately 508,000 sq. ft. and an expected total gross development value ("GDV") of approximately HK$10.4 billion (attributable GDV of approximately HK$5.2 billion). The development was completed in August 2025 and commenced the handover process in September 2025. As at 31 March 2026, the expected attributable GDV of the completed stocks available for sale was approximately HK$4.9 billion (attributable GDV of approximately HK$2.4 billion) worth of units. Of this amount, approximately HK$580 million has been recorded as contracted sales.

Victoria Riverside (Towers B, C and Bromley Street) in Manchester, the UK, with an expected total GDV of approximately GBP101 million, commenced handovers in July 2025. These completions were largely finalised within FY2026, facilitating the full settlement of the construction loan for the entire development.

Dorsett Place Waterfront Subang in Malaysia, adjacent to the esteemed 5-star hotel Dorsett Grand Subang, is a development which we hold a 50% interest. The development consists of three blocks and will offer 1,989 fully-serviced suites. The development was completed in September 2025. The revenue of Towers A and B has been recognised according to the progress of development and handover process of Towers A and B was commenced in September 2025. As at 31 March 2026, the expected attributable GDV of the completed stocks available for sales was approximately HK$324 million. Of this amount, approximately HK$99 million was recorded as contracted sales.


**The Pavilia Forest, Hong Kong**


**Dorsett Place Waterfront Subang, Malaysia**


**Victoria Riverside, Manchester**

## VI. Upcoming Projects in Hong Kong

Subject to prevailing market conditions, we are preparing to launch our Sai Ying Pun project and Ho Chung project in Hong Kong in the second half of FY2027, which will further strengthen our local market presence.

Sai Ying Pun project is a mixed-use residential and commercial development, featuring an expected saleable floor area of approximately 75,000 sq. ft. for 210 residential units and 2,800 sq. ft. for commercial spaces. The development has obtained building plan approval. Foundation works have been completed, and superstructure construction is underway. It is expected to be completed in FY2028.

Ho Chung project is a residential development which we hold a 33.3% stake. The development features 26 high-end houses with total saleable floor area of approximately 58,000 sq. ft. and an expected total GDV of approximately HK$1.5 billion (attributable GDV of approximately HK$485 million). Construction has commenced and is slated to complete in FY2027.


**Sai Ying Pun project, Hong Kong**


**Ho Chung project, Hong Kong**

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## VII. Commencement in Leasing Operation for the First Phase of Long-lease Residences in Baoshan, Shanghai

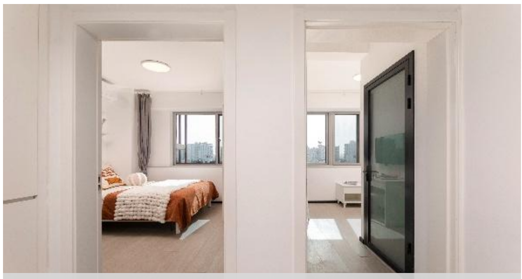
Previously, we acquired two connected sites in Baoshan, Shanghai slated for the development of residential blocks designated for leasing purposes. First phase is completed with a lettable floor area of approximately 573,000 sq. ft., delivering 1,666 units. Leasing operation has commenced on 31 March 2026.

The second phase is initiating ground work and is expected to provide approximately 2,700 accommodation units. Completion of the second phase is expected in FY2029.

Long-lease Residences, Shanghai

One-bedroom apartment

Aerial View

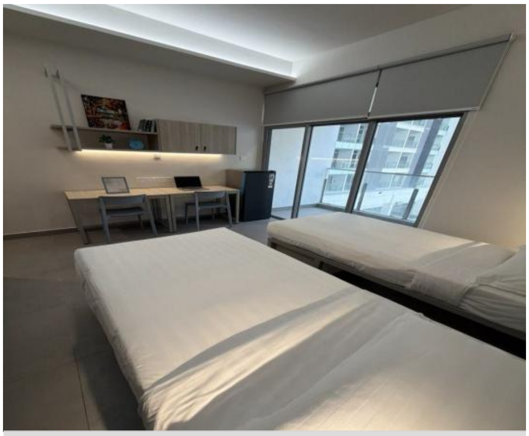


Two-bedrooms apartment

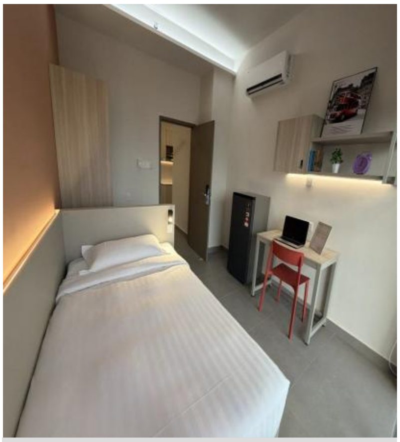
## VIII. Soft-launched YOIHO Dorsett Waterfront Subang Student Accommodation in Malaysia

To optimise long-term recurring income, we evaluated a change of use for Tower C of Dorsett Waterfront Subang, which has been soft launched as student accommodation under the name YOIHO Dorsett Waterfront Subang.

Operations commenced following the first student check-in in May 2026. The first phase operational launch, backed by targeted marketing campaigns, is expected in the first half of FY2027. A full operational launch and grand opening are anticipated in the second half of FY2027, at which point the tower will reach full operational capacity.



Studio Room Twin



Ensuite King

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## IV. Optimising Hotel Portfolio for Sustainable Growth

In FY2026, we expanded our hotel presence in London and Shanghai through the opening of Dorsett Canary Wharf London, Dao by Dorsett North London and HubX Shanghai.

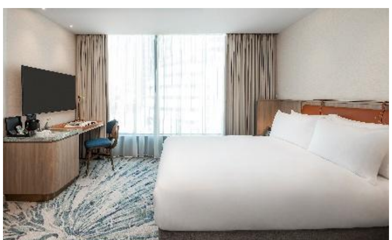
In September 2025, we opened our first hostel HubX Shanghai in Shanghai. The 115-room hotel is adjacent to the Shanghai University, which has over 40,000 full-time students.

In October 2025, Dorsett Canary Wharf London was officially launched in London, the UK. It is the latest premium 4-star hotel and the third property under our portfolio in the city. The hotel offers 237 contemporary guest rooms, versatile conferencing facilities and food and beverage servers. It is strategically located in the heart of Canary Wharf, one of London's central business district, catering to both corporate and leisure demand.

Moreover, we opened Dao by Dorsett North London. A disposal agreement was strategically entered into for this property to crystallise transaction gains, recycle capital, boost liquidity, and reduce our net gearing.

Our hotel business continues to pursue its strategic growth through an asset-light business model while selectively participating in strategic investments in asset ownership so as to enjoy potential capital appreciation and optimise long-term value creation. In May 2026, Dao by Dorsett Puteri Cove was opened in Iskandar Puteri, Malaysia, bringing the Dao by Dorsett brand to the country for the first time. In addition, we added additional over 100 rooms to Dorsett Changyi City Singapore which we owned a 10% stake in December 2025. These demonstrate the hotel's ability to unlock incremental returns through targeted capital investment.

We currently have 4 hotels in development pipeline, with Dorsett Perth scheduled to open within the next twelve months.


Dorsett Canary Wharf London, Longdon


Dao by Dorsett North London, Longdon


HubX Shanghai, Shanghai

## X. Recognistion of Outstanding Performance

We are pleased and honoured to have been recognised by several industry awards during the year.

- At the Asia's Best Companies 2026, we were fortunate to receive the "Best Small-Cap Company (Gold)" and "Best CFO (Bronze)" awards;
- we won four awards at the HKIRA 12th Investor Relations Awards 2026, namely "Best IR Company", "Best ESG (E)", "Best ESG (S)", and the "10 Years IR Awards Winning Company";
- we were privileged to receive three accolades at the 16th Asian Excellence Award 2026, including "Asia's Best CEO: Mr. David Chiu, Chairman and Chief Executive Officer", "Asia's Best CFO: Mr. Boswell Cheung, Chief Financial Officer and Company Secretary" , as well as the "Best Investor Relations Company";
- We were also thankful to receive the "Best in ESG" award at The 7th BDO ESG Awards 2026.

We appreciated these recognitions and will serve as encouragement for us to continue improving in the years ahead.


BDO ESG AWARDS
環境、社會及管治大獎2026

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## XI. Awards

| 2024-2026 Awards | Organisation |
|---|---|
| **The 7th BDO ESG Awards 2026**<br>• Best in ESG | BDO |
| **16th Asian Excellence Award 2026**<br>• Asia's Best CEO: Mr. David Chiu, Chairman and Chief Executive Officer<br>• Asia's Best CFO: Mr. Boswell Cheung, Chief Financial Officer and Company Secretary<br>• Best Investor Relations Company | Corporate Governance Asia |
| **FinanceAsia's 2026 Asia's Best Companies Poll**<br>• Best Small-Cap Company (Gold)<br>• Best CFO (Bronze) | FinanceAsia |
| **Hong Kong Investor Relations Association 12th IR Awards 2026**<br>• Best IR Company<br>• Best ESG (E) Award<br>• Best ESG (S) Award<br>• 10 Years IR Awards Winning Company | HKIRA |
| **5th Edition of the ESG Achievement Awards 2024/2025**<br>• Outstanding Sustainability Vision Awards Distinction<br>• Outstanding ESG Awards Listed Company —Platinum Award<br>• Outstanding Sustainable Dividend Award 20+ years | The Institute of ESG & Benchmark |
| **FinanceAsia's 2025 Asia's Best Companies Poll**<br>• Best Small-Cap Company (Gold) | FinanceAsia |
| **Hong Kong Investor Relations Association 11th IR Awards 2025**<br>• Best ESG (E) Award<br>• Best Investor Meeting<br>• Best Annual Report | HKIRA |
| **Outstanding Corporate Strategy Awards 2024**<br>• Winner of Outstanding Corporate Strategy Award | East Week |
| **China Financial Market Awards 2023**<br>• Excellence in Brand Value Award | China Financial Market |
| **ESG Achievement Awards 2023/2024**<br>• Best Sustainable Vision Award – Merit<br>• Outstanding ESG Awards – Listed Company Gold Award | The Institute of ESG & Benchmark |
| **14th Asian Excellence Award 2024**<br>• Asia's Best CEO: Mr. David Chiu, Chairman and Chief Executive Officer<br>• Asia's Best CFO: Mr. Boswell Cheung, Chief Financial Officer and Company Secretary<br>• Best Investor Relations Company | Corporate Governance Asia |